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CENTRAL INTELLIGENCE AGENCY NATIONAL FOREIGN ASSESSMENT CENTER

26 August 1980

Soviet Offer to Supply India Fuel for Tarapur

MEMORANDUM

The Soviet Union has on several occasions indicated that it might be willing to supply low enriched uranium for Tarapur if the United States cuts off shipment. India has not pursued the matter. Precise Soviet motives for making this offer are unclear but Moscow probably hopes to create the impression that it is a more reliable nuclear supplier than the United States. In any case, any Soviet decision on Tarapur fuel will be taken within the broader context of Soviet-Indian and Soviet-Third World relations.

Since early 1978, the competitive dimension of the US-Soviet interaction in the nonproliferation field has assumed increasing salience. The USSR is sensitive about becoming too closely associated—in the eyes of the developing nations—with the industrialized and nuclear "West." Moreover, Moscow suspects that the United States might actually condone the acquisition of nuclear weapons by certain states in order to safeguard US regional interests. The Indian case offers the USSR an opportunity to exploit the dilemmas faced by US nonproliferation policymakers in South Asia on a relatively peaceful level, while at the same time improving its image as a nuclear supplier to the developing nations.

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This memorandum was prepared by the USSR/East Europe Division with a contribution from the International Issues Division of the Office of Political Analysis at the request of the Special Assistant to the Deputy Director for National Foreign Assessment for Nuclear Proliferation Intelligence (SA/NPI). It was coordinated with the Office of Scientific and Weapons Research and the SA/NPI. Research was completed on 23 August 1980. Comments and queries are welcome and may be directed to the Chief, Political Military Issues Branch, International Issues Division, OPA,

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Additionally, in the wake of the Soviet invasion of Afghanistan, the Soviet Union has been seeking areas in which it can mend its fences with the developing world in general and with India in particular. Without dropping its basic opposition to nuclear proliferation, Moscow has recently sought to appear as a more willing and reliable supplier than the United States of nuclear materials for peaceful applications in the Third World. Increased involvement in the Indian nuclear program would be particularly attractive to the Soviet Union for a variety of reasons. Among these would be the opportunity to provide a political counterweight to what Moscow views as US encouragement of Pakistan's nuclear program.

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MEMORANDUM FOR: John S. Ingley

> Special Assistant for Nuclear Proliferation Intelligence

THROUGE C/OPA/USSR-EE

FROM OPA/USSR-EE/M

SUBJECT Comments on conversation between Chairman Petrosyants of the Soviet State Committee for the Utilization

of Atomic Energy and US Senator

Percy.

REFERENCE

The remarks made by the chairman of the Soviet State Committee for the Utilization of Atomic Energy, Petrosyants, indicate that the question of the supply of low enriched uranium as fuel for India's Tarapur reactor by the Soviet Union will not be decided solely on the basis of the USSR's obligations under the NPT and other nuclear safeguards agreement. Instead, any Soviet decision either to agree or refuse to supply the requisite materials will be taken within the larger context of Soviet-Indian and Soviet-Third World relations.

In the post-Afghanistan period the Soviet Union has been seeking areas in which they can mend their relations with Third World countries in general, and with the South Asian mations in particular. The Soviets would have a strong interest in supplying enriched uranium to India in light of their continuing involvement with India's nuclear program and may, in the name of political expediency, take a less stringent stand on safeguards than would the United States. Being India's nuclear sponsor on this project would be a particularly attractive counterweight for what the Soviets view as US encouragement of the Pakistani nuclear program, including Islamabad's development of

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